

**COUNTY COUNCIL OF CECIL COUNTY  
WORK SESSION MINUTES  
December 10, 2019**

**PRESENT:** Council Members: Robert Meffley, Jackie Gregory, William Coutz, Al Miller, and George Patchell; James Massey, Council Manager; Terry Hale, Council Assistant; members of the press; and members of the public.

**OPEN SESSION – Elk Room**

**9:00 A.M.** –Council President Meffley called the meeting to order at 9:00 a.m. and determined a quorum.

**NOTE:** The video and audio recording with transcription of this meeting is available on the County website [www.ccgov.org](http://www.ccgov.org).

**Approval of Minutes**

On a motion made by Councilman Coutz, seconded by Vice President Gregory, the Council moved to approve the minutes of the Council work session of December 3, 2019, as presented. Motion was approved unanimously.

**School Superintendent Update**

Dr. Jeff Lawson, Superintendent of Cecil County Public Schools, provided an update of the school system. He stated that he will be sharing his budget priorities with the school board tomorrow and said that his top priority was to honor the employees' contracts. His FY 2021 budget request will be modest. He intends on giving the Council a breakdown in spending from the Kirwan Commission's allocation of \$3.9M in January 2020. He also reported on the Maryland State Department of Education's new five-star school rating system. Of the twenty-nine schools in Cecil County, eleven rated three-stars and eighteen rated four-stars. He explained that the county will raise the number for the chronically absences from fifteen to twenty to match the state standard. He discussed a statewide survey of teachers and students that indicated that more teachers are more satisfied with the school system than students. Dr. Lawson proudly reported that 3,000 students earned the distinguished honor roll, which is better than a 4.0 grade while 6,000 students earned the honor roll. He stated that the feasibility study for North East Middle School should be ready in January 2020. Council questions and comments ensued.

**Seasonal Shelter Update**

Gwen Parrack, Director of Special Populations for the Cecil County Health Department, made a presentation about the freezing weather plan for this winter. She introduced Sheri Snyder, Executive Director, Meeting House; Shana Proctor, Assistant Director of General Administration, Department of Social Services; Lauren Levy, Health Officer, Health Department; and Shelly Gullledge, Director, Core Service Agency.

The freezing weather plan can be activated between November 1 to March 31, when the Health Officer declares a Code Blue. Ms. Parrack explained that the code is based on the temperature and wind chill. The Interagency Council on Homelessness, managed by the Health Department, communicates with local providers. She stated that a press release is issued to make the

community aware of homeless services are available. During Code Blue, she explained that the homeless are directed to the Mary Randall Center for intake and placement. There is an after hour telephone number that is monitored by the Department of Social Services (410-996-5350). She stated that if all homeless shelter sites are full, her agency issues motel vouchers.

Ms. Parrack stated that the county's seasonal rotating shelter is opened January 6 to mid-March, which coordinated by Meeting Ground and staffed nighttime by church volunteers.

Council questions and comments ensued. Ms. Parrack clarified that the number of homeless in the county from the previous year is about the same. She agreed that it would be very helpful if the Paris Foundation builds a homeless shelter here. She explained that church volunteers staff the shelter during the evening; which usually requires four to eight persons to oversee between the hours of 7pm and 7am. She stated that the rotating shelter involves over five-hundred volunteers.

#### **FY 2019 Comprehensive Annual Financial Report (CAFR)**

Lisa Saxton, Finance Director, introduced Jeff Koss, Deputy Finance Director, and stated that the recent bond sale delayed the completion of the FY 2019 CAFR until December 4, 2019. She stated that the bond consultant, Davenport and Company, will be making a presentation at next week's Council work session. The first quarterly financial projections will also be presented next week by Rebecca Anderson, Budget Manager. Ms. Saxton acknowledged the work of the Finance Department staff and to Mr. Koss who assumed the lead role. She provided a summation of the CAFR from which she based her remarks.

Ms. Saxton referred Council Members to the letter of transmittal on page i, that provides an overview of the CAFR, the audit process and economic outlook for FY2020. She referred to pages 2 and 3 in the financial section where the county's independent public accountant, SB and Company, that gave a positive opinion on the preparation and presentation of the financial statements. She suggested that Council Members may wish to review the management's discussion and analysis on pages 4 to 15, which contains valuable information.

Ms. Saxton began reviewing her handout as a summary of the CAFR, which compares FY 2019 with FY 2018 financial figures. On page 1 of her report, she reviewed the revenues and expenditures. She stated that income tax revenue came in \$4.2 over projections. Personal property tax revenue was \$2.5M favorable. The total revenue came in \$7.3M over projected budget. She reviewed the expenditures and commented on the difficulty in estimating employee retention and recruitment costs. She highlighted Parks and Recreation budget was off by \$119,000 because of attrition, Finance budget was off because of \$300,000 invoice from SDAT, the board of education budget showed \$900,000 because of safe school projects that had not been finished as of June 30, 2019.

Ms. Saxton reviewed page two of her summary of the fund balance. She stated that the fund balance as of June 30, 2019 was \$51M. She reported that the non-spendable fund balance of \$9.8M included \$5.7M advance to the wastewater fund, \$2.8M advance to the motor vehicle internal service fund, \$800,000 advance to the Information Technology internal service fund, and \$413,000 advance to inventory and prepaid. She showed committed obligations for Volunteer Fire Service of \$450,000 and safe schools of \$910,000.

She stated that the emergency fund balance, also called "rainy day fund" shows a balance of \$20.2M, which is required to be 10% of the total annual county budget. She stated that the budget stabilization, which requires a minimum of 1% is \$2M. She then reviewed seven items that the County Executive has earmarked for use of fund balance, which requires Council approval by legislation. These include: Cecil College - \$50,000; Volunteer Fire Companies FY 19 carryover of vehicle budget - \$350,000; unfunded portion of FY 20 vehicle budget - \$575,000; Belvidere CIP - \$200,000; Courtroom #3 - \$200,000; future general capital PayGo funding - \$2M; and road resurfacing - \$3M. The total of these assigned projects is \$28.6M, which leaves an unassigned fund balance of \$11.3M.

She reviewed the fund balance reserve calculations, which was based on general fund revenue of \$202.8M. For sixty days of reserve of revenue, the general fund reserve calculation is \$33,339,566.63. The county has \$33,691,392 so that we have the required fund balance reserve.

Ms. Saxton reviewed page three of her summary of the Landfill Fund. The landfill has an operating gain of \$1M and a net position of \$1.2M.

She reviewed page four of her summary of the wastewater fund. The wastewater fund revenue from sales and user fees showed \$853,000 in additional revenue, but showed an operational loss of \$115,000. She said that depreciation expenditures showed an increase of \$119,000. For the year, the wastewater fund showed a change in net position of \$6.1M.

Ms. Saxton reviewed page five of her summary on proprietary funds, which includes the operation of the county building at 107 Chesapeake Boulevard. She said that \$40,000 was transferred out of the fund so that the ending net position was \$192,000.

She reviewed page six of her summary about the internal service funds, which includes health insurance, workers compensation, information technology, and motor vehicle. The Health Insurance fund ended the year at \$2.5M in net position. The workers compensation fund ended the year with a net position of \$3.4M.

Council questions and comments ensued.

#### **Council Manager Report**

Mr. Massey updated Council Members about the upcoming meetings and events.

#### **Council Member Items**

Councilman Patchell attended the North East Christmas parade and commended the Town for growing this into a countywide event. He also attended the Perryville Christmas parade and tree lighting ceremony.

Councilman Miller attended the MACo winter conference and stated that he appreciated the opportunity to learn so much and meet other county officials. He expressed his appreciation that there were three speakers from Cecil County, including Perry Willis, Scott Flanigan and Dave Trolio. He thanked the Town of North East and Mayor McKnight for the outstanding Christmas parade

held in North East. He attended the 4H Auction and stated that there were 110 live auction items and 430 silent auction items.

Councilman Coutz stated that it was a very busy weekend of activities. He commended the Town of North East for the outstanding organization of the Christmas parade and the large number of participants. He also attended Rising Sun's Winter Extravaganza, which was well attended. He also commended the VFW Post for sponsoring a cookie drop, which will send hundreds of cookies to armed service forces worldwide.

Vice President Gregory attended the MACo winter conference and discussed Secretary Grumbles explanation of the settlement between Exelon and the State over the Conowingo Dam settlement. She spoke about an innovative program in Caroline County to aid in the fight against opioid over doses with a mobile crisis response team. She discussed a statewide problem of incarcerated inmates who lose Medicaid coverage and how to handle their medical needs while in prison. She attended the North East Christmas parade and expressed her appreciation to Melissa Cook-MacKenzie for organizing the successful event. She also commended the Hollingsworth Manor Association for sponsoring a parade float and their work with the Maryland Rural Development Corporation. She attended the Census meeting with the faith-based community and social service agencies, who are key partners with our efforts to increase Census participation.

Council President Meffley attended the North East Christmas parade and stated how much he enjoyed participating in the parade. He said that Chesapeake City hosted a large festival that was attended by over one thousand. He attended the Elkton Appreciation Dinner. He attended the Census Committee meeting with the faith-based community and social service agencies. He commended the Census speaker for his outstanding presentation. He attended the MACo winter conference and met with many county officials to discuss common issues.

#### **Adjournment**

Vice President Gregory made a motion for adjournment, which was seconded by Councilman Coutz and approved by unanimous consent. Council President Meffley adjourned the work session at 10:22 a.m.

The next Council work session will be held on Tuesday, December 17, 2019 at 9am in the Elk Room of the County Administration Building.

  
James Massey  
Council Manager

Approved:

  
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Robert Meffley  
Council President